

Office of Personnel Management

§591.241

differential area or, in the case of local recruitment, on the effective date of the appointment.

(b) For an employee detailed to temporary duty in a post differential area and who is otherwise eligible for a post differential, agencies must begin paying a post differential after 42 consecutive calendar days of temporary duty in the post differential area.

§591.236 When do COLA and post differential payments end?

Subject to §591.237(a), agencies stop paying an employee a COLA or post differential on—

- (a) Separation,
- (b) The effective date of assignment or transfer to a new official duty station outside the COLA or post differential area, or
- (c) In the case of an employee on detail to temporary duty in a post differential area, the ending date of the detail.

§591.237 Under what circumstances may employees on leave or travel receive a COLA and/or post differential?

(a) An employee on leave or travel may receive a COLA or post differential only if the agency anticipates that the employee will return to duty in the area. *Exceptions:* If the employee does not return to duty in the area, the agency may still pay a COLA and/or a post differential for the period of leave or travel, subject to paragraph (b) of this section, if the agency determines that—

- (1) It is in the public interest not to return the employee to the duty station, or
- (2) The employee will not return because of compelling personal reasons or circumstances over which the employee has no control.

(b) *Post differentials.* Agencies may pay a post differential to an employee only during the employee's first 42 consecutive calendar days of absence from the post differential area.

§591.238 How do agencies pay COLAs and post differentials?

(a) Agencies pay COLAs and post differentials as a percentage of an employee's hourly rate of basic pay, in-

cluding a retained rate of pay under 5 U.S.C. 3594(c) or 5363, for those hours during which the employee receives basic pay. This includes all periods of paid leave, detail, or travel status outside the COLA or post differential area.

(b) Agencies pay employees eligible for both a COLA and a post differential the full amount of the COLA, plus so much of the post differential as will not cause the combined total of the COLA and post differential to exceed 25 percent of the hourly rate of basic pay.

§591.239 How do agencies treat COLAs and post differentials for the purpose of overtime pay and other entitlements?

(a) Agencies include COLAs in the employee's straight time rate of pay and include COLAs and post differentials in an employee's regular rate of pay for computing overtime pay entitlements for nonexempt employees under the Fair Labor Standards Act of 1938, as amended.

(b) Agencies may not include a COLA or post differential as part of an employee's rate of basic pay for the purpose of computing entitlements to overtime pay, retirement, life insurance, or any other additional pay, COLA, or post differential under title 5, United States Code.

(c) Payment of a COLA or post differential is not an equivalent increase in pay within the meaning of 5 U.S.C. 5335.

§591.240 How are agency and employee representatives involved in the administration of the COLA and post differential programs?

(a) OPM may establish a COLA Advisory Committee in each COLA survey area. The committees are composed of agency and employee representatives from the COLA survey area and one or more representatives from OPM.

(b) To the extent practical, the COLA Advisory Committees coordinate and work with the Survey Implementation Committee established pursuant to *Caraballo, et al. v. United States*, No. 1997-0027 (D.V.I.).

§591.241 What are the key activities of the COLA Advisory Committees?

(a) The COLA Advisory Committees may—

§ 591.242

- (1) Advise and assist OPM in planning living-cost surveys;
- (2) Provide or arrange for observers for data collection during living-cost surveys;
- (3) Advise and assist OPM in the review of survey data;
- (4) Advise OPM on its administration of the COLA program, including survey methodology; and
- (5) Assist OPM in disseminating information to affected employees about the living-cost surveys and the COLA program.

(b) The committees also may advise OPM on special situations or conditions, such as hurricanes and earthquakes, as they relate to OPM's authority under § 591.223(b) to conduct interim surveys or implement some other change in response to conditions caused by a natural disaster or similar emergency.

§ 591.242 What is the tenure of a COLA Advisory Committee?

OPM may establish a COLA Advisory Committee in each area prior to each living-cost survey conducted in that area. OPM will appoint committee members for 3-year renewable terms. To the extent practical, the committee will continue to exist between surveys, but OPM may periodically review with the committee whether there is a continuing need for the committee.

§ 591.243 How many members are on each COLA Advisory Committee?

A COLA Advisory Committee has up to 12 members composed of OPM representatives and other agency and employee representatives, unless OPM determines that the committee should be larger. In determining the number of committee members, OPM considers the amount of work the committee is likely to be requested to do (based on the size and complexity of the local living-cost survey) and the availability of employee and agency representatives to participate as committee members.

§ 591.244 How does OPM select COLA Advisory Committee members?

(a) In establishing a COLA Advisory Committee, OPM invites local agencies and employee organizations to nominate committee members. OPM also in-

5 CFR Ch. I (1-1-04 Edition)

vites COLA Defense Corporations and the local Federal Executive Board or Federal Executive Association each to nominate committee members. Subject to § 591.243, OPM selects committee members from these nominations in a manner designed to achieve a balanced representation that is reflective of agencies and employee organizations in the area. In consultation with the committee, OPM may select additional nominees to serve as alternates to the primary committee members. OPM designates not more than two OPM representatives to serve on each committee.

(b) Each Executive agency, as defined in 5 U.S.C. 105, must cooperate and release appointed employees for committee proceedings and activities unless the agency can demonstrate that exceptional circumstances directly related to accomplishing the mission of the employee's work unit require his or her presence on the job. Executive agency employees serving as committee members are considered to be on official assignment to an inter-agency function, rather than on leave, and are eligible to receive reimbursement for authorized travel expenses from their respective agencies.

APPENDIX A TO SUBPART B TO PART 591—PLACES AND RATES AT WHICH ALLOWANCES ARE PAID

This appendix lists the places approved for a cost-of-living allowance and shows the authorized allowance rate for each. The allowance percentage rate shown is paid as a percentage of an employee's rate of basic pay. The rates are subject to change based on the results of future surveys.

Geographic coverage	Allowance rate (percent)
State of Alaska:	
City of Anchorage and 80-kilometer (50-mile) radius by road	25.00
City of Fairbanks and 80-kilometer (50-mile) radius by road	25.00
City of Juneau and 80-kilometer (50-mile) radius by road	25.00
Rest of the State	25.00
State of Hawaii:	
City and County of Honolulu	25.00
County of Hawaii	16.50
County of Kauai	23.25
County of Maui and County of Kalawao	23.75
Territory of Guam and Commonwealth of the Northern Mariana Islands	25.00
Commonwealth of Puerto Rico	11.50